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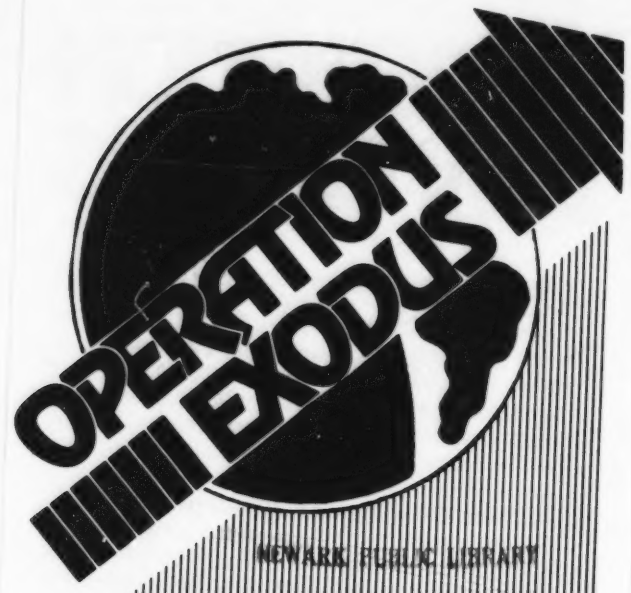

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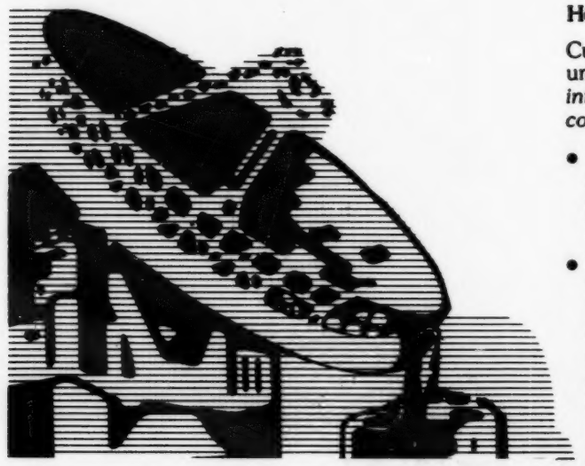
OPERATION EXODUS

What is it and what are its goals?

Operation EXODUS is a U.S. Customs enforcement program designed to stop the illegal movement of U.S. and Western munitions list items and strategic technology having civil and military application to the countries of the Warsaw Pact and other proscribed destinations.

Why was the program considered necessary?

The Warsaw Pact and its allies have acquired large quantities of U.S. and Western technology since the Second World War by various means, both legal and illegal. Such acquisitions have provided the Pact countries with the fruits of Western research and strategic technology development largely without cost and have permitted those countries to channel their resources to other areas.



How much material is being exported illegally?

As with any illegal trade, the exact volume is difficult to measure or even to estimate. U.S. Customs criminal investigations and seizures indicate, however, that such trade can be valued in the tens of millions of dollars annually.

The monetary value of the illegal exports being discovered in the course of EXODUS is often secondary to the strategic and potential military value of these products. For example, in one investigation a sophisticated military aviation guidance system was seized by Customs as it was about to be exported from the United States. While the value of this system was only a few thousand dollars, its acquisition by the Soviets would have jeopardized U.S. and NATO security and been of great value to our adversaries.

Some of the strategic technology most urgently needed by the Pact countries is:

- Modern manufacturing technology for the production of micro-electronics, computers, critical electronic components, and signal processing systems.
- Technology necessary to the development of aircraft, missile, and other tactical weapon delivery systems.
- All types of advanced signal and weapon detection, tracking, and monitoring systems.

How has the program been implemented?

Customs designed a three-pronged effort to undertake the EXODUS mission: *inspection/interdiction, investigations, and international cooperation.*

- The *inspection/interdiction* effort uses specially trained Customs Inspectors stationed at high-threat ports to selectively inspect suspected exports.
- The *investigations* effort involves Customs Special Agents deployed throughout the country to initiate and pursue high quality cases leading to major arrests, seizures, and convictions of offenders of the Export Administration Act, Arms Export Control Act and other statutes. At the inception of EXODUS, Customs functioned in a predominantly reactive investigative mode, but our operations have now successfully shifted to the offensive with proactive investigations utilizing various undercover and surveillance techniques to detect and disrupt illegal exporters *before* they can damage U.S. vital interests.
- The *international cooperation* effort focuses on the use of U.S. Customs Attaches stationed in foreign countries to enlist the support of their host governments, to initiate new investigative leads based on their foreign contacts, and to develop information in support of on-going domestic investigations.

These efforts are all supported by a National Command Center located in Washington, D.C. This center maintains contacts with the U.S. Departments of Commerce, State, and Defense and other agencies concerned with illegal strategic technology movements.

What have been the results of EXODUS?

Since its inception in 1981, Operation EXODUS has been responsible for over 4300 seizures valued at approximately $300 million. During fiscal year 1985 there were approximately 175 arrests and 750 seizures valued at $75 million. These seizures included laser guidance devices, military equipment, sophisticated computer systems, and numerous other items critical to

allied defense. Also included are high-technology items whose use in the West is primarily civilian but the export of which is controlled to the East because of potential military use.

Recognizing the success of Operation EXODUS, other countries have begun to enhance their own export control programs and are also realizing successful seizures, arrests, and prosecutions.

How can American business help?

The EXODUS program is not intended to restrict or discourage legitimate U.S. exports in any way. It is designed to protect the technical accomplishments resulting from American ingenuity and labor and to prevent our adversaries from achieving technological parity and gaining a military advantage through illegal acquisition of U.S. technology. To achieve success in this endeavor, the cooperation of the exporting community with the Customs Service is essential. It should be strongly emphasized that *all* businessmen and military personnel who are involved in any aspect of high-technology research, development, and/or production are potential acquisition targets. A company or corporation may consider a high-technology product that they are developing to be small in significance when compared to the more publicized, sought after technologies. It must be remembered, however, that their "small" technological project could easily be the necessary component to a major Soviet technological development. The U.S. Customs Service's Office of Investigations solicits your assistance in providing information relating to any suspicious circumstances surrounding export purchases of high-technology items or services. There are four major areas in which U.S. business can assist the Government in stemming the illegal flow of commercial equipment and technology and munitions to unauthorized destinations:

- *By identifying inquiries and orders for products, parts, or technology, including software, which are likely to be shipped outside the United States, and by seeing that they are handled by export specialists.*
- *By ensuring that your export specialists are sufficiently knowledgeable about export controls and that appropriate screening and licensing procedures are followed.*
- *By making certain that employees—whether they live, travel, or transmit information abroad, or merely come in contact with foreigners visiting the United States—fully understand that the U.S. Government restricts the flow of technical data or know-how, whether it be written, oral, or visual.*
- *By identifying major customers who request to pay in cash.*

Our strategic technology is an important asset to our national defense and would be an instrument of intimidation in the hands of our adversaries. Only through the combined efforts of the Government and the private sector can we disrupt the flow of our technology to hostile governments.

For additional information contact:

or

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1301 Constitution Ave., N.W.
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(202) 566-9464

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